

TERMS OF REFERENCE

EUROSAI PROJECT GROUP

“CAPACITY BUILDING ON NON-SAI STAKEHOLDER ENGAGEMENT”

1. General provisions**1.1 Name of the Project Group:**

“Capacity building on non-SAI stakeholder engagement”

1.2 Background and objective of the Project Group:***Background***

The Project Group will base its work on the latest work that has been conducted among SAIs on civil society.

The first of the latest work is the INTOSAI capacity building committee’s Framework for SAIs: Engagement with Civil society, which is prepared with the intention for SAIs to use when considering taking a strategic decision on strengthening their engagement and cooperation with civil society with the aim of improving their audit impact. The Framework is an excellent basis that includes information that could be expanded upon to focus on the context of the EUROSAI region and its SAIs. The identified three types of engagement with civil society

- One-way: Informing civil society;
- Two-way: consulting civil society;
- Collaborative relationships or partnerships with a common purpose.

The Framework also identified risk management as an important part of making a strategic decision on the engagement.

Another important product developed is the Guideline ‘On social utilization and transparency of public sector audits’ prepared with the EUROSAI Project group on social utilization. As part of the primary objective aims to map the possibilities of creating the prerequisites for measuring the utilisation of SAIs’ activities, and to enhance knowledge sharing among SAIs. Section 8 of the Guideline Assessment looks at: i) the relationship between SAIs and the citizens; ii) identification of initiatives to measure SAIs’ performance in relation to citizens; and iii) identification of performance indicators in relation to citizens.

In the years 2018 and 2019, the SAIs of Albania, Croatia, Ireland, Finland, Hungary, Latvia, Switzerland and Romania contributed to the development of this. Based on the contributions of these 8 EUROSAI members an assessment of the relationship between SAIs and the citizens was made, whereas 6 of these SAIs prepared and shared their national case studies in the areas of social utilization in order to be able to create a guideline.

The third important element upon which the work of this Project Group will be elaborated is the Survey of the European Court of Auditors on citizen engagement of August 2021. The survey, made across the SAIs of the European Members States aimed at EU SAIs’ practices for consulting and engaging with citizens. A study paper is expected to be delivered by ECA based on the survey.

The PG will seize opportunities to monitor other relevant initiatives (surveys, webinars and tools etc.) taking place also outside EUROSAI / INTOSAI, e.g. those organized by the Canadian Audit and Accountability Foundation (CAAF) and other organizations. One of the most recent activities of the CAAF was a webinar taking place 25 January 2022 introducing the results of an international survey regarding the cooperation of audit offices and civil society organizations (CSOs). Among other aspects, the survey results show the challenges of the different level audit offices’ engagement with CSOs. The results of the CAAF activities are also interesting

for the PG in that aspect that they refer to the experiences of not only the SAIs, but also provincial and municipal audit offices.

This EUROSAI Project Group sees the opportunity to expand of the above, to increase the inclusiveness of the work across all SAIs of EUROSAI and also to focus the work on the specific context of our region and our particular SAIs as well as to extract specific lessons and best practises for the sharing and codifying knowledge. From the INTOSAI Framework's three ways of communication with civil society, the Project Group's main focus will be on the: two-way consulting; and collaborative/partnerships format engagements with civil society. In terms of the surveys, a review of responses and engaged SAIs will be made to highlight and tailor additional questions to the specific goals of the project group. For instance, the questions and respective responses from SAIs on 'main challenges and risks of engaging with citizens' would benefit further exploration.

The Project Group aims at exploring the benefits and risks of civil society engagement throughout the main audit stages - planning / conducting / reporting / follow up in order to facilitate a robust practice of engagement with civil society. The PG will look at the different aspects of such engagement in various contexts of each audit stage.

During discussions of the results of the project, the PG will determine the best option (and format) for ensuring continuity of the results and maximising the impact of the PG's work. One of the options is to provide a best practice guide, complementary to the INTOSAI CBC framework on SAIs engaging with Civil Society, that can be used in the audit planning.

Objective

The objective of this Project Group is to expand upon previous work in civil society engagement and develop information for EUROSAI SAIs and their auditors in applying relevant civil society engagement practices in the various stages of audit work.

1.3 Link with EUROSAI Strategic Plan:

1.3.1. Strategic Goals / portfolio to which is linked:

The nature and aims of this Project Group is directly related to the **Strategic Goal 2** which is:

Helping SIAs deal with new opportunities and challenges by supporting and facilitating their institutional capacity development

It will contribute to:

Objective 2.1. To facilitate and support needs driven institutional capacity development initiatives

Objective 2.4. To follow and contribute to the development of INTOSAI initiatives and products for the professionalization of auditors

The project will be implemented as part of the Governance portfolio 'Relations with non-SAI stakeholders'.

1.3.2. No duplication or overlaps with other activities of the EUROSAI Strategic Plan:

In order to avoid overlap of this activity with the activity of **Strategic Goal 2**, this PG will encompass the project group 'Civil Society' which was originally intended to be part of the SG2 operational plan (*aimed to explore SAIs cooperation with civil society and citizen engagement in the interest of enhanced SAIs' impact and improved accountability and to base the work of this PG on CBC framework on civil society, to collect good practices and exchange experience in the EUROSAI region – as currently stated within the Operational Plan of ESP*).

2. Structural provisions

2.1 Lead SAI: SAI Latvia; open to any interested SAI to co-lead this PG

2.2 Contact person(s):

2.3 Participants:

All interested SAIs as well as other entities are welcome to join this Project Group.

3. Technical and procedural provisions

3.1 & 3.2 Intended results and benefits to EUROSAI Membership:

1. To identify practical experience (best practices) of EUROSAI members in civil society engagement in the various phases of audit work.
2. To clarify and provide support to SAIs on the challenges and opportunities of engagement of civil society in audit work at different audit phases (pre-audit phase, report writing, field work, developing recommendations, post-audit phase, dissemination of audit report, audit evaluation).
3. To raise the capacities of SAIs and their auditors in the practical engagement of civil society in audit work.
4. To raise the awareness of the SAIs and their auditors (especially for those who will not participate in the project) about the risk management of civil society engagement.
5. To create an environment to share experience and knowledge about the work across EUROSAI members in civil society engagement.

3.3 Duration & Key Milestones:

Feb 2022 – Call for project membership

Q1 2022 – Project launching meeting and discussion on project approach¹; Analysis of previous surveys² and results on engagement of citizens and preparation of focused survey for the purposes of the PG.

Q2 2022 – Launch of survey to EUROSAI members on engagement of civil society in audit phases and identified risks; Analysis of results, identification of possible case studies, sources for risk assessment.

Q3 2022 – Focus group interviews, meetings on case studies and risk assessment (3-5 SAIs identified and interviewed);

Q4 2022 – Further analysis and draft of results for discussion; dissemination of results

Q1 2023 – Discussion of options on codification of best practise (for example: workshop, best practise guide, checklist tool) for use in audits.

Q2 2023 – elaboration of option determined in Q1.

Q3 2023 – implementation and dissemination of option elaborated in Q2.

3.4 Working Methods:

- Online meetings within the PG members,
- Online workshops (All interested SAIs will be invited to share their experiences and best practice)
- E-mail correspondences on the draft survey and analysis reports as well as the receipt of feedbacks,
- Survey that will be applied to all EUROSAI member SAIs

3.5 Necessary resources:

TBD

In case the PG workshop takes place in person, SAI Latvia will apply for funding from the EUROSAI budget in line with the EUROSAI Financial Regulations.

¹ An invitation to provide input in the launching meeting will be extended to INTOSAI Capacity Building Committee (framework on Engagement with civil society) and others, as appropriate.

² Analysis is partially dependent on receiving the results of the ECA survey by this time.

3.6. Reference documents and materials:

- *INTOSAI capacity building committee's Framework for SAIs: Engagement with Civil society* (<https://www.intosaicbc.org/sai-civil-society-engagement-framework-now-available/>);
- *INTOSAI CBC 'Engagement with Civil Society A Framework for SAIs' (2021)* (https://www.intosaicomunity.net/user/good_practices_details_page/2/44/11)
- *EUROSAI Project group on social utilization's guideline on social utilization and transparency of public sector audits* (https://www.eurosai.org/handle404?exporturi=/export/sites/eurosai/.content/documents/ESP_2017_2023/Gui_soc_ut_tra_psa.pdf);
- *Survey of the European Court of Auditors on citizen engagement of August 2021 (a study paper is expected to be delivered by ECA)*;
- *INTOSAI capacity building committee's guide for improving performance: 'Strengthening SAIs' (2018)* (<https://www.intosaicbc.org/download/strengthening-sais-eng/>);
- *The role of Supreme Audit Institutions in improving citizen participation in governance, article by Mahabat Baimyrzaeva and H. Omer Kose, 2014* (<https://journals.sfu.ca/ipmr/index.php/ipmr/article/viewFile/235/232>)
- *Engaging Citizens in the Audit Process: A New Frontier in Public Financial Management (Self-Paced)* (<https://olc.worldbank.org/content/engaging-citizens-audit-process-new-frontier-public-financial-management-self-paced#comments>)
- *E-guide on Engaging Citizens in the Audit Process: Advancing public participation in the audit process (2015)*
- (<https://www.e-participatoryaudit.org/index.html>)
- *CAAF 'Collaborating for change': guides on how civil society organizations and audit offices can hold government accountable for the Sustainable Development Goals* (<https://www.caaf-fcar.ca/en/performance-audit/research-and-methodology/collaborating-for-change>)
- *Results of international CAAF survey on 'How Audit Offices Collaborate with Civil Society' (2020)* (<https://www.caaf-fcar.ca/images/pdfs/research-publications/CSO-SurveyResults-EN.pdf>)

4. Accountability provisions

The project group is established to achieve the objectives set out in this TOR. The group will report on progress and results to the GB via the Portfolio on Relations with non-SAI Stakeholders reporting process at GB meetings, according to the General Procedures for the EUROSAI Strategic Plan 2017-2024..